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The Catenian Association Benevolent and Children's Fund

Trustees' report and financial statements

for the year ended 31 March 2017

Charity number: 214244



**Cocke, Vellacott & Hill**  
CHARTERED ACCOUNTANTS

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# The Catenian Association Benevolent and Children's Fund

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## The Catenian Association Benevolent and Children's Fund

### Reference and administrative details

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|   |   |   |
|---|---|---|
| Charity number                          | 214244  |   |
| Registered and principal office         | 2nd Floor, 1 Park House<br>Station Square,<br>COVENTRY<br>CV1 2FL   |   |
| Trustees                                | M. O'Malley<br>D. Rowley<br>R.M.S. Allanson<br>P. Astill<br>R. W. Butler<br>D. Cawdery<br>P. Devine<br>J. Fry<br>J. Hogan | (Chairman)<br>(Vice Chairman)   |
| Clerk to the managing trustees          | P. Roberts  |   |
| Members of the investment sub-committee | R.M.S. Allanson<br><br>D. Cawdery<br>J. Fry<br>T. Ryan  | (Chairman), Trustee, Retired<br>Investment Manager<br>Trustee<br>Trustee<br>Stockbroker |
| Independent auditors                    | Cocke, Vellacott & Hill<br>Unit 3 Dock Offices<br>Surrey Quays Road<br>LONDON SE16 2XU                                    |   |
| Bankers                                 | The Co-operative Bank p.l.c<br>P.O. Box 101<br>3rd Floor, 1 Balloon Street<br>Manchester M60 4EP                          |   |
| Investment adviser                      | BRI Wealth Management PLC<br>BRI House<br>Elm Court<br>Meriden Business Park<br>COVENTRY CV5 9RL                          |   |
| Solicitors                              | Shakespeare Martineau LLP<br>Solicitors<br>Two Colton Square<br>Leicester LE1 1QH   |   |

The trustees present their annual report and the audited financial statements for the year ended 31 March 2017 which comply with the Charities Act 2011, the Scheme approved and established by the Charity Commissioners on 29th May 1991 as amended under an Order of the Charity Commissioners dated 18 February 2015 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### *Governing instruments*

The Catenian Association Benevolent and Children's Fund (the Fund) is a charity, registered with the Charity Commission, registration number 214244 and is governed by the Scheme approved and established by the Charity Commissioners on 29th May 1991 as amended aforesaid.

### *Trustee recruitment*

Trustees are appointed by the Central Council of The Catenian Association from a list of Catenian applicants.

### *Trustee induction and training*

New trustees are appointed by Central Council, initially for a period of five years, bearing in mind their experience with other charities and their general professional background. Each receives a copy of the Scheme document, copies of the minutes of the last two meetings and a copy of an application form, followed by explanations of the procedures at subsequent meetings of the Board of Trustees.

### *Organisation Structure*

The trustees meet at least four times in a year and have a mechanism for urgent consideration outside scheduled meetings and are assisted with investment policies by the Investment sub-committee. The Investment sub-committee is formed under the authority of the Trustees of The Catenian Association Benevolent and Children's Fund and its membership comprises of Trustees of that Fund together with a number of non-trustees with specialist knowledge and experience as shown on page 1.

The function of the sub-committee is the management of the investment portfolio, undertaking sales and purchases as deemed necessary, with the overreaching intent of safeguarding investments, while seeking balanced capital growth and income. The sub-committee meets at least four times per year and has a mechanism for urgent consideration outside scheduled meetings.

The Fund's investments and bank accounts are administered by Catena Trustees Limited, a company limited by guarantee and without a share capital. See note 11 for more details and related party transactions.

Trustees are appointed for a five year period unless they are appointed to fill a casual vacancy when they complete the term of office of the trustee they are replacing.

The trustees who served during the year are:

|                 |             |
|-----------------|-------------|
| R.M.S. Allanson | J. Fry      |
| P. Astill       | J. Hogan    |
| R. W. Butler    | M. O'Malley |
| D. Cawdery      | D. Rowley   |
| P. Devine       |             |

At the 145th meeting of the Trustees on 24 May 2016 Mr M. O'Malley and Mr D. Rowley have been re-appointed by the Central Council to serve a further term of five years as trustees.

### *Risk review*

The trustees have conducted their own risk review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

## OBJECTIVES AND ACTIVITIES

### *Objects*

The Catenian Association Benevolent and Children's Fund provides monetary assistance to members of the Catenian Association and their dependants including dependants of deceased members of the Catenian Association who are in need.

As part of the fulfilment of its charitable objectives, the charity makes some long term loans to members of the Catenian Association or their dependants on a secured basis. Such loans are made according to the merits of individual applicants. See note 7 (b) for more details.

## OBJECTIVES AND ACTIVITIES (continued)

### *Strategies*

The availability of monetary assistance to members of the Catenian Association of the charity is advertised throughout the Catenian Association, on the internet, through provinces and circles and by leaflet.

### *Activities*

During the year, the charity has continued to provide monetary assistance to members of the Catenian Association and their dependants who are in financial difficulties and who have applied to the charity for assistance.

### *Public Benefit*

We have referred to the guidance in the Charity Commissioner's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

The paragraphs in this report show the aims and objectives of this charity and activities of the year.

Income is received by personal donation from members of the Catenian Association together with investment proceeds. Claims are made by members of the Association or their dependants or dependants of deceased members or former members after due local process. Meetings of the trustees are held at least four times a year to consider the cases and payment is made to or on behalf of the claimant, by grant or loan. In special emergency cases a representative committee is employed.

## ACHIEVEMENTS AND PERFORMANCE

The Catenian Association Benevolent and Children's Fund has made grants to fifty one (51) individual beneficiaries (2016 - forty seven (47)) totalling £116,710 during the year (2016 - £69,220). In addition to the grants, the charity has provided monetary assistance to twenty five (25) (2016 - thirty four (34)) members in difficulty or need in the form of promissory note loans and second charge loans amounting to £411,815 (2016 - £746,395).

During the year, no first charge loan was made (2016 - none), five (5) existing first charge loan value was increased by £22,945 (2016 - one (1) totalling £20,000), two (2) unsecured loans totalling £172,474 were converted to first charge loans (2016 - three (3) totalling £48,176) and five (5) repaid their first charge loans in full amounting to £117,135 (2016 - one (1) repaid £117,370), three (3) secured loans were partly paid totalling £70,109 (2016 - three (3) repaid £2,325). At the year end there were twenty nine (29) first charge loans (2016 - thirty two (32)) shown in the accounts amounting to £844,952 (2016 - £836,777) and are shown in note 7 (b) to the accounts.

The trustees consider the investment performance achieved against the investment growth objectives to be satisfactory.

### *Financial review*

#### *Results for the year*

Details of the income and expenditure for the year are shown in the statement of financial activities on page 6. Donations and legacies of £72,532 (2016 - £66,470) and investment income totalling £274,210 (2016 - £277,450) were received during the year. Investment brokers' fee came to £11,342 (2016 - £10,902).

Grants and non-secured loans given to individuals during the year amounted to £528,525 (2016 - £815,615). Recoveries of grants and non-secured loans amounted to £330,674 (2016 - £285,954). Other charitable support and governance costs came to £45,215 (2016 - £43,185).

Net income amounted to £92,334 (2015 - net expenditure of £239,828) in the year under review after taking into account realised gains on investments of £37,147 (2016 - gains £33,509). Net movement in funds transferred to the accumulated fund totalled £1,065,188 (2016 - transferred from - £445,262) after including unrealised gains on investments of £935,707 (2016 - unrealised losses of £238,943).

#### *Investments policy and performance*

Investments are held with a view to providing a balanced capital growth and income. Investment income amounted to £274,210 (2016 - £277,450). All investments held by the charity have been acquired in accordance with the powers available to the trustees. Movements in fixed asset investments are shown in note 7 (a) to the financial statements. The market value of shares held increased by 14% to £8,298,805 (2016 - £7,238,193) as a result of additions of £889,514 (2016 - £43,475), disposals of £764,609 (2016 - £268,849) and gains on revaluation of £935,707 (2016 - losses of £238,943).

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### *Reserves and grant and loan making policies*

The reserves policy has been developed to give the Fund sufficient resources to meet variations in the level of longer term requirements and was agreed to be £7 million to cover the following:

1. To give long term and unsecured loans;
2. To give grants to Members in difficulty or need;
3. To assimilate losses on loans not repaid;
4. To meet the needs of an ageing Membership, elderly widows and dependants of deceased members or former members;
5. To alleviate the difficulties being experienced by members in overseas countries which are politically and/or financially unstable;
6. To provide domestic assistance to members who have suffered from failed business ventures or redundancies;
7. To provide assistance to those members who are victims of pension failures;
8. To provide help for those members who have been unable to secure a reasonable occupational pension;
9. To withstand the perceived volatility of the Stock Market;
10. To take advantage of any strategic development opportunities.

Available reserves in the General Fund currently stand at £9,230,579 (31 March 2016 - £8,165,391). The trustees are of the opinion that the charity is able to meet the needs of applicants. Grants and loans are awarded according to the merits of each individual application.

#### PLANS FOR THE FUTURE

The charity will continue to provide assistance to members and their dependants in a similar manner in the ensuing year.

#### TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

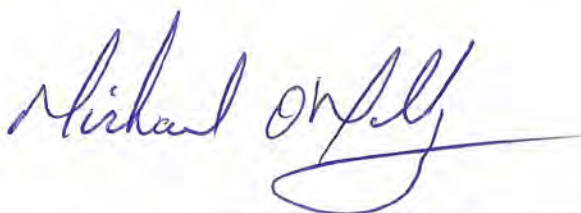
The trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the "Charities SORP (FRS 102)". They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### AUDITORS

The auditors have signified their willingness to continue and a resolution proposing the re-appointment of Cocke, Vellacott & Hill as auditors of the charity, will be put to the Annual General Meeting.

This report was approved by the trustees on 18 July 2017 and signed on its behalf by:

M. O'Malley (Trustee)



The Catenian Association Benevolent and Children's Fund  
Independent auditor's report to the trustees of The Catenian Association Benevolent and Children's Fund

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We have audited the financial statements of The Catenian Association Benevolent and Children's Fund set out on pages 6 to 13 for the year ended 31 March 2017. The financial reporting framework that has been applied in their preparation is applicable law and in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and the accounting policies set out on page 8.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of the trustees and auditor

The trustees' responsibilities for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of trustees' responsibilities on page 4.

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the methods and principles of the "Charities SORP (FRS 102).

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*Cocke, Vellacott & Hill*

Cocke, Vellacott & Hill  
Statutory Auditor

Unit 3 Dock Offices  
Surrey Quays Road  
LONDON SE16 2XU  
Date: 10 August 2017

The Catenian Association Benevolent and Children's Fund

Statement of financial activities  
for the year ended 31 March 2017

|  | Notes | 2017<br>Total<br>£ | 2016<br>Total<br>£ |
|--|-------|--------------------|--------------------|
| <b>Income from:</b>  |       |                    |                    |
| Donations and legacies                                     | 3     | 72,532             | 66,470             |
| Investment income  | 4     | 274,210            | 277,450            |
| <b>Total</b>   |       | <b>346,742</b>     | <b>343,920</b>     |
| <b>Expenditure on:</b>                                     |       |                    |                    |
| Raising funds  |       | 11,342             | 10,902             |
| Charitable activities                                      | 5     | 243,066            | 572,846            |
| <b>Total</b>   |       | <b>254,408</b>     | <b>583,748</b>     |
| Net gains/(losses) on disposal of investments at book cost |       | 37,147             | 33,509             |
| <b>Net income/(expenditure)</b>                            | 2     | <b>129,481</b>     | <b>(206,319)</b>   |
| <b>Other recognised gains and losses</b>                   |       |                    |                    |
| Unrealised gains/ (losses) on investments                  | 7     | 935,707            | (238,943)          |
| <b>Net movement in funds</b>                               |       | <b>1,065,188</b>   | <b>(445,262)</b>   |
| <b>Reconciliation of funds</b>                             |       |                    |                    |
| Total funds brought forward                                | 10    | 8,165,391          | 8,610,653          |
| <b>Total funds carried forward</b>                         | 10    | <b>9,230,579</b>   | <b>8,165,391</b>   |

All of the operations undertaken by the charity during the current and preceding year are continuing operations and there were no other recognised gains and losses other than the above.

The net expenditure for the year including realised gains (losses) on the disposal of investments is £129,481 (2016 - net expenditure £206,319).

Based on the historic cost equivalent net income is £309,231 (2016 - net expenditure of £182,448).

The notes on pages 8 to 13 form an integral part of these financial statements.



The Catenian Association Benevolent and Children's Fund

Balance sheet  
as at 31 March 2017

|  | Notes | 2017           |                         | 2016           |                         |
|--|-------|----------------|-------------------------|----------------|-------------------------|
|  |       | £              | £                       | £              | £                       |
| <b>Fixed assets</b>                            |       |                |                         |                |                         |
| Investments                                    |       |                |                         |                |                         |
| Investments                                    | 7 (a) |                | 8,298,805               |                | 7,238,193               |
| Programme related investments                  | 7 (b) |                | 844,952                 |                | 836,777                 |
| Total fixed assets                             |       |                | <u>9,143,757</u>        |                | <u>8,074,970</u>        |
| Debtors  | 8     | 21,808         |                         | 5,642          |                         |
| Cash at bank and in hand                       |       | 96,630         |                         | 123,165        |                         |
| Total current assets                           |       | <u>118,438</u> |                         | <u>128,807</u> |                         |
| <b>Liabilities</b>                             |       |                |                         |                |                         |
| Creditors: amounts falling due within one year | 9     | (31,616)       |                         | (38,386)       |                         |
| Net current assets                             |       |                | <u>86,822</u>           |                | <u>90,421</u>           |
| Total assets less current liabilities          |       |                | <u><u>9,230,579</u></u> |                | <u><u>8,165,391</u></u> |
| <b>Funds</b>                                   |       |                |                         |                |                         |
| Unrestricted income funds:                     |       |                |                         |                |                         |
| General reserves                               | 10    |                | 5,527,754               |                | 5,222,321               |
| Revaluation reserve                            | 10    |                | 2,857,873               |                | 2,106,293               |
| Long term loans reserve                        | 10    |                | 844,952                 |                | 836,777                 |
| Total charity funds                            |       |                | <u><u>9,230,579</u></u> |                | <u><u>8,165,391</u></u> |

The financial statements were approved by the board of trustees on 18 July 2017 and signed on its behalf by:

M. O'Malley  
Trustee

J. Fry  
Trustee

The notes on pages 8 to 13 form an integral part of these financial statements.

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments. They are also prepared in accordance with applicable accounting standards and the recommendations of the Charity Commission in "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

**Income**

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and gifts are included in full in the statement of financial activities when receivable. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income from investments is included in the year in which it is receivable.

**Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise of investment management costs and those costs incurred in attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. These include costs related to audit, trustee expenses and legal fees.

Expenditure, which involves more than one cost category, is apportioned on a reasonable, justifiable and consistent basis to the cost categories involved.

**Taxation**

Provision for taxation is not necessary, as the Fund is a registered charity and has no trading activities. No deferred tax provision is required.

**Programme related investments**

These include loans to beneficiaries in accordance with the objectives of the charity. The loans secured by a first charge on a recipient's assets are expected to be recovered in due course. In the event that the loan or part of the loan becomes non-repayable it will be written off in the statement of financial activities.

**Funds**

- (i) Investment revaluation reserve - represents unrealised gains on the listed securities as a result of their market values being higher than their cost.
- (ii) General fund - represents the net surplus made by the company during its operations.
- (ii) Long term loans reserve - represents an amount equivalent to the secured loans recoverable to ensure that adequate funds are earmarked to meet any potential non-recoveries.

The Catenian Association Benevolent and Children's Fund

Notes to financial statements (continued)  
for the year ended 31 March 2017

|    |  |                |                |
|----|--|----------------|----------------|
| 2. | Net income/(expenditure)                             | 2017           | 2016           |
|    |  | £              | £              |
|    | Net income/(expenditure) is stated after charging:   |                |                |
|    | Auditors' remuneration from audit work               | 800            | 800            |
|    | Auditors' remuneration from non-audit work           | 4,000          | 4,000          |
|    |  | <u>4,800</u>   | <u>4,800</u>   |
| 3. | Donations and legacies                               | 2017           | 2016           |
|    |  | £              | £              |
|    | Donations from circles and provinces                 | 3,592          | 1,070          |
|    | Donations from members                               | 57,003         | 53,828         |
|    | Tax recoverable under members' gift aid              | 11,937         | 11,322         |
|    | Legacies   | -              | 250            |
|    |  | <u>72,532</u>  | <u>66,470</u>  |
| 4. | Investment income                                    | 2017           | 2016           |
|    |  | £              | £              |
|    | Income from UK listed investments                    | 272,698        | 276,449        |
|    | Bank interest receivable                             | 1,512          | 1,001          |
|    |  | <u>274,210</u> | <u>277,450</u> |
| 5. | Analysis of charitable activities                    | 2017           | 2016           |
|    | (a) Grants and loans                                 | Total          | Total          |
|    |  | £              | £              |
|    | Grants and non-secured loans payable to individuals: |                |                |
|    | Grants made  | 116,710        | 69,220         |
|    | Non-secured loans made                               | 411,815        | 746,395        |
|    |  | <u>528,525</u> | <u>815,615</u> |
|    | Less: recovered during the year                      | (330,674)      | (285,954)      |
|    | Total net grants and loans                           | <u>197,851</u> | <u>529,661</u> |
|    |  | Number         | Number         |
|    | Recipients of grants only (all to individuals)       | 51             | 47             |
|    |  | <u>51</u>      | <u>47</u>      |
|    | (b) Analysis of support costs                        | 2017           | 2016           |
|    |  | £              | £              |
|    | Staff costs  | 20,457         | 20,337         |
|    | Insurance  | 48             | 48             |
|    | Telephone  | 235            | 230            |
|    | Office expenses                                      | 10,000         | 10,000         |
|    | Bank charges and general expenses                    | 2,380          | 2,370          |
|    |  | <u>33,120</u>  | <u>32,985</u>  |

The Catenian Association Benevolent and Children's Fund

Notes to financial statements (continued)  
for the year ended 31 March 2017

5. Analysis of charitable activities (continued)

|   | 2017           | 2016           |
|---|----------------|----------------|
|   | £              | £              |
| (c) Analysis of governance costs        |                |                |
| Auditors' remuneration - non audit work | 4,000          | 4,000          |
| Auditors' remuneration - audit work     | 800            | 800            |
| Committee expenses                      | 4,629          | 4,503          |
| Professional fees - legal fees          | 2,664          | 897            |
|   | <u>12,095</u>  | <u>10,200</u>  |
| Total charitable activities expenses    | <u>243,066</u> | <u>572,846</u> |

6. Trustees and employees

Staff costs were as follows:

|                       | 2017          | 2016          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Wages and salaries    | 18,960        | 18,855        |
| Social security costs | 1,497         | 1,482         |
|                       | <u>20,457</u> | <u>20,337</u> |

Staff costs represent amounts recharged by The Catenian Association Limited (see note 11) for the position of clerk to the Trustees of The Catenian Association Benevolent and Children's Fund.

No trustees received any remuneration from the charity in the year (2016 - £nil). Nine trustees received reimbursement of £4,630 for travelling expenses during the year (2016 - eight trustees - £4,028).

7. (a) Fixed asset investments

Valuation

|   | Investments<br>portfolio<br>£ |
|---|-------------------------------|
| <i>At 1 April 2016</i>                                  | 7,238,193                     |
| Additions   | 589,795                       |
| Disposals   | (764,609)                     |
| Net movements in cash held by brokers for investment    | 299,719                       |
| Unrealised gains/(losses) on revaluation of investments | 935,707                       |
| At 31 March 2017  | <u>8,298,805</u>              |

Historical cost as at 31 March 2017.

*Historical cost as at 31 March 2016*

5,440,932  
5,131,900

All fixed asset investments are held within the United Kingdom.

Notes to financial statements (continued)  
for the year ended 31 March 2017

|           |  |                     | Cost             | Market           |
|-----------|--|---------------------|------------------|------------------|
|           |  |                     | £                | value            |
|           |  |                     |                  | £                |
| 7.        | <b>(a) Fixed asset investments (continued)</b>                   |                     |                  |                  |
|           | The investments of the charity at 31 March 2017 were as follows: |                     |                  |                  |
| Holdings  | Description  |                     |                  |                  |
| 38,000    | Aviva plc  | Ord. 25p            | 220,721          | 203,110          |
| 204,750   | Aviva Multi Strategy Target Income 2                             |                     | 200,934          | 199,120          |
| 12,000    | BHP Billiton plc   | Ord. USD 0.50       | 74,390           | 148,770          |
| 30,000    | BP plc   | Ord. USD 0.25       | 120,740          | 137,700          |
| 52,000    | BT Group plc   | Ord. 5p             | 98,895           | 166,114          |
| 3,690     | CRH  | Ord Eur 0.32        | 101,911          | 103,966          |
| 15,000    | Diageo plc   | Ord. 28 101/108p    | 38,082           | 343,538          |
| 25,000    | Experian plc   | Ord. USD 0.10       | 127,079          | 406,000          |
| 21,500    | GlaxoSmithKline plc  | Ord. 25p            | 47,387           | 358,029          |
| 152,650   | GCP Infrastructure Investments Ltd                               | Ord. 1p             | 198,715          | 197,147          |
| 28,333    | HSBC Holdings plc  | Ord. USD 0.50       | 168,138          | 185,057          |
| 144,142   | Lloyds Banking Group plc   | Ord. 10p            | 148,371          | 95,941           |
| 632,654   | M & G Charibond Inc  | *                   | 811,070          | 819,730          |
| 50,000    | Morrison (WM) Supermarket plc                                    | Ord. 10p            | 109,107          | 120,075          |
| 18,000    | Pearson plc  | Ord. 25p            | 136,108          | 123,075          |
| 11,000    | Persimmon plc  | Ord. 10p            | 156,126          | 230,560          |
| 50,000    | Polar Capital Technology Trust plc                               | *                   | 50,033           | 468,000          |
| 19,500    | Prudential plc   | Ord. 5p             | 76,703           | 329,258          |
| 2,500     | Reckitt Benckiser Group plc                                      | Ord. 10p            | 87,209           | 182,650          |
| 27,000    | RELX plc   | *                   | 160,829          | 422,955          |
| 6,100     | Rio Tinto plc  | Ord. (Reg) 10p      | 56,480           | 196,390          |
| 26,459    | Royal Bank of Scotland Group plc                                 | Ord. £1             | 142,922          | 64,282           |
| 11,000    | Royal Dutch Shell plc B  | Ord. Euro 0.07      | 251,210          | 241,477          |
| 5,333     | Severn Trent plc   | Ord. 97 17/19p      | 43,698           | 127,352          |
| 1,072,868 | The Charities Property Fund                                      | *                   | 1,104,627        | 1,287,870        |
| 11,250    | Unilever plc   | *                   | 16,088           | 443,137          |
| 54,545    | Vodafone Group plc   | Ord. USD 0.20 20/21 | 109,692          | 113,835          |
|           |  |                     | <u>4,857,265</u> | <u>7,715,138</u> |
|           | Investments listed on the UK Stock Exchange                      |                     | 583,667          | 583,667          |
|           | Cash held as part of the investment portfolio                    |                     |                  |                  |
|           | Total investments as at 31 March 2017                            |                     | <u>5,440,932</u> | <u>8,298,805</u> |

\* These items represent material investments that are over 5% by value of the portfolio.

The Catenian Association Benevolent and Children's Fund

Notes to financial statements (continued)  
for the year ended 31 March 2017

| 7. | (b) Programme related investments  | 2017<br>£        | 2016<br>£        |
|----|--|------------------|------------------|
|    | Secured recoverable loans supporting the charitable objectives (see below) | <u>844,952</u>   | <u>836,777</u>   |
|    | <i>Analysis of movements in secured recoverable loans is as below:</i>     | £                | £                |
|    | Loans recoverable brought forward  | 836,777          | 888,296          |
|    | Transfers (to)/ from non-secured loans                                     | 172,474          | 48,176           |
|    | Additions to existing loans made during the year                           | 22,945           | 20,000           |
|    | Repayments received during the year  | <u>(187,244)</u> | <u>(119,695)</u> |
|    | Loans recoverable carried forward  | <u>844,952</u>   | <u>836,777</u>   |
| 8. | Debtors  | 2017<br>£        | 2016<br>£        |
|    | Amounts owed by related companies *  | 19,326           | 1,811            |
|    | Income tax recoverable   | 2,463            | 3,812            |
|    | Other debtors  | 19               | 19               |
|    |  | <u>21,808</u>    | <u>5,642</u>     |
| 9. | Creditors: amounts falling due<br>within one year                          | 2017<br>£        | 2016<br>£        |
|    | Amounts due to related companies *   | -                | 30,886           |
|    | Accruals and deferred income   | 31,616           | 7,500            |
|    |  | <u>31,616</u>    | <u>38,386</u>    |

\* The related companies referred to above are The Catenian Association Bursary Fund Limited and The Catenian Association Limited (see note 11 for more details).

\* The related company referred to above is The Catenian Association Limited (see note 11 for more details).

Notes to financial statements (continued)  
for the year ended 31 March 2017

| 10. Unrestricted funds         | At               | Incoming resources | Outgoing resources | Gains and losses | Transfers | At               |
|--------------------------------|------------------|--------------------|--------------------|------------------|-----------|------------------|
|                                | 1 April 2016     |                    |                    |                  |           | 31 March 2017    |
|                                | £                | £                  | £                  | £                | £         | £                |
| General purpose income fund    | 5,222,321        | 346,742            | (254,408)          | 37,147           | 175,952   | 5,527,754        |
| Investment revaluation reserve | 2,106,293        | -                  | 935,707            | -                | (184,127) | 2,857,873        |
| Long term loans reserve        | 836,777          | -                  | -                  | -                | 8,175     | 844,952          |
|                                | <u>8,165,391</u> | <u>346,742</u>     | <u>681,299</u>     | <u>37,147</u>    | <u>-</u>  | <u>9,230,579</u> |

**Purposes of unrestricted funds**

General purpose income fund - represents funds available at the discretion of the trustees to further expand the activities of the charity. The fund arises from donated income and income arising on an annual basis from amounts held by way of capital and unutilised funds less costs of generating funds, charitable expenses and governance costs. It also includes realised gains less losses on investments.

The investment revaluation reserve represents unrealised gains on the listed investments as a result of their market value being higher than their cost.

The board of trustees have approved the setting up of a designated fund called the long term loans reserve equivalent to the secured loans recoverable (see note 7 b). The purpose of this designation is to ensure that adequate funds are earmarked to meet any potential non-recoveries.

**11. Related party transactions**

The charity's investments and bank accounts are administered by Catena Trustees Limited as Custodian Trustee. The Directors of Catena Trustees Limited are appointed by virtue of their appointment as Trustees of the charity.

The Trustees of the charity are appointed and the Directors of The Catenian Association Bursary Fund Limited are nominated only by the Central Council of the Catenian Association. Therefore the charities and companies are related companies.

During the year to 31 March 2017 administration expenses were recharged to the charity by The Catenian Association Limited as follows:

|                 | 2017          | 2016          |
|-----------------|---------------|---------------|
|                 | £             | £             |
| Office Expenses | 10,000        | 10,000        |
| Salaries        | 20,457        | 20,337        |
|                 | <u>30,457</u> | <u>30,337</u> |

The charity shares the services of the administrative staff and the premises of The Catenian Association Limited. In return for these facilities, the above expenses are recharged to the charity.

At the balance sheet date an amount of £18,914 was due from The Catenian Association Limited (2016 - £30,886 was due to) and £412 was due from The Catenian Association Bursary Fund Limited to the charity (2016 - £1,811).